

Alfreda Johannes Senior Manager | Deal Advisory | Valuations | KPMG SA



KPMG

What does your current role entail, and tell us about your journey to this position?

I have been at KPMG for 14 years, and am a senior manager in Deal Advisory, where I have been for nine of those years.

I was a KPMG bursary student. In 2004, my matric year, KPMG awarded me a full bursary, which made it possible for me to study Accounting at Stellenbosch University.

I started my career with KPMG in 2010, as an article clerk in financial services. I became a Chartered Accountant in 2013, and stayed within KPMG, where I finally found my home in Deal Advisory in 2015.

KPMG has become like a family to me, and a great deal of my day is spent with people. As a senior manager, you have client facing work, and also a number of internal operational and financial functions that you are required to perform, but the daily support I receive from my seniors propels me to support my colleagues in our day-to-day interactions, reviews, and reports that need to be written.

My role includes managing clients, projects, teams, budgets, reviewing junior team members' work, and reporting directly to a director. I am on our advisory transformation committee, our employment equity consultative forum, and our go to market team, and I assist with staff planning, staff training, and junior staff rotation between departments.

I perform or review valuations in various industries, and I have also performed a number of financial due diligence reports. Notable industries include insurance, asset management, agriculture, mining and financial services.

Coming from a farming community, I attended five schools in Vanrhynsdorp, Vredendal, Kharkams and Moorreesburg. The agricultural sector has always been, and will always be, close to my heart. My very first due diligence project was performed on an export apple farm, and it opened my eyes to the endless potential in the agricultural industry. Since then, I've performed numerous valuations on various farming operations and companies.

Each client is unique; acquiring new skills and knowledge never ends, and every day is interesting.

What do you do on a day-to-day basis?

I work in our Cape Town Office, where I perform audit assist work, reviewing and signing off on valuations performed by the client for audit purposes, which feeds into the audit team's work and files. I perform independent valuations and financial due diligence reports for clients across various industries.

What fascinates you most about valuations?

Firstly, the types of valuations I find most fascinating are purchase price allocations. When reviewing clients' valuations, I am yet to find a client that does this 100% technically correctly and by the book. These are always interesting to review and perform due to the nuances within the valuation i.e. applying the multi-period excess earnings methods, capital asset charges, calculating the workforce in place, and ensuring that the correct discount rates are applied.

Secondly, each organisation operates slightly differently, and to understand each entity, its operations, and the nuances in its cash flows and how management build each forecast is always interesting and eye-opening.

In which ways do you believe due diligence reports add value to the market, and what would you prefer: a due diligence report or a red flag report?

Firstly, they help investors make sound decisions, and secondly, they provide investors with the tools to grow their investment in a more effective manner, as many red flags are identified, and specific recommendations are normally provided.

As a start, I would definitely recommend a red flag report. However, to have a full picture

or analysis of all of the risks and strengths at hand, a full due diligence report is what I find most useful, as more aspects of the accounts are analysed in more detail. For executives, the executive summary encapsulates what they require, and highlights the key focus areas going forward.

What do you do to unwind and get away from the stress of work?

I love to spend time with my kids and husband. I have a four year old daughter and a one year old son.

If you could have dinner with any woman in history, who would it be and what would be the first thing you asked her?

I would love to have dinner with the woman spoken of in Proverbs 31. I would ask her how she did it all: taking care of her household, buying fields and vineyards with her profits, making a tapestry for herself, selling clothing, supplying merchants, and extending her hand to the poor.

What advice would you give a young woman working on her first deal?

Do not be afraid to ask questions, nor be afraid to raise your concerns. There are certain things only you will be able to spot, or that you would be able to figure out because you are working on the deal. Share your insights with the team, and raise any concerns you might anticipate.

FUN FACTS

Favourite colour: Pink. of course.

Current book on your nightstand:

My Bible always, and *Capital* by Thomas Piketty has been there for a while (together with seven others I am due to read).

Unusual hobbies: Just the usual – playing guitar, piano, writing poems, painting, trying to get into cycling.

Preferred holiday destination: Right now, my parents' farm.

Three words your colleagues would use to describe you: Friendly, caring, positive.